

**Carlsbad Tourism and Business Improvement District (CTBID)
Annual Report
2007-2008**

Method of Assessment: The CTBID includes all hotel businesses located within the CTBID boundaries. The assessment shall be levied on all hotel businesses, existing and future, within the City of Carlsbad based upon a flat fee of \$1.00 per occupied room per night for all transient occupancies as defined in section 3.12.020(7) of the Carlsbad Municipal Code. The amount of assessment shall be separately stated from the amount of the rent and other taxes charged, and each transient shall receive a receipt for payment from the operator. The assessment will be remitted monthly, based on \$1.00 per occupied room per night in revenues for the previous month.

Assessment Funding Purpose: To administer marketing and visitor programs to promote the City of Carlsbad as a tourism visitor destination and to fund projects, programs, and activities, including appropriate administrative charges, that benefit hotels within the boundaries of the District.

2007-08 Work Plan: During the 2006-07 fiscal year the CTBID Board contracted with the Wright Group and Destination Analysts to perform a positioning study. The purpose of this study is to identify a positioning strategy for Carlsbad that would help increase tourism. This study will begin in June 2007 and it is anticipated that it will be completed by the end of 2007. The outcome of this study may assist in determining future projects, programs or activities for the CTBID.

In June 2007, the Carlsbad Tourism Business Improvement District Board approved renewing agreements with Carlsbad Convention and Visitors Bureau and San Diego North Convention and Visitors Bureau for tourism promotion services for the period July 1, 2007 through June 30, 2008. These agreements require that these agencies continue to provide the services they have provided in the past as detailed below:

Carlsbad Convention and Visitors Bureau (CCVB): Manage and coordinate marketing programs that position Carlsbad as a year-round leisure visitor destination in Southern California.

- Increase brand awareness
- Operate Visitor Information Center in the Historic Santa Fe Train Depot seven days per week.
- Initiate familiarization tours by inviting the media to Carlsbad.
- Promote local community events.
- Develop private funding sources for the purpose of supplementing funds.
- Support a full-time marketing campaign.
- Provide semi-annual reports of the activity and expenses of the CCVB to the City.

San Diego North Convention and Visitors Bureau (SDNCVB): Increase measurable visitor spending through the generation of group business leads from room night bookings and group events. Tactics include:

- Phone solicitation/prospecting
- Personal sales calls to targeted national and international businesses
- Buyer site inspections
- Meeting planner familiarization tours
- Tour planner familiarization tours
- Trade and travel show attendance
- Direct mail campaigns
- Product launches fro wholesale and airline vacation companies
- Email solicitation and promotions
- Reservation center educationals
- E-commerce development
- Quarterly reports are to be provided with performance measures.

2007-08 CTBID Budget

Program Areas	Description	Budget
Estimated Fund Balance 7/01/07		\$ 200,005
<u>2007-08 Estimated Revenues:</u>		
CTBID Assessment	\$1 per room night, projected 3600 hotel rooms at average 60% occupancy	775,000
Interest Earnings		5,000
Total Estimated Revenues		780,000
<u>2007-08 Expenditures:</u>		
2% Administrative Fee - City	2% of CTBID assessment revenue, for collection of CTBID assessment and accounting for CTBID	15,500
CCVB Payment	\$37,400 per month , to operate visitor center, market and promote Carlsbad	448,800
SDNCVB Payment	\$9,167 per month, to provide group sales	110,000
Staff support	Staff support to the CTBID	15,000
Contingency	To be determined by the CTBID Board	150,000
Total Expenses		739,300
Projected Fund Balance 6/30/08		\$ 240,705